

NURSING TRAINING LOAN PROGRAM



A revolving loan fund offered by
the State of Idaho to help Idaho
businesses provide needed training for nurses.

IDAHO
COMMERCE & LABOR

The Nursing Training Loan Program is designed to provide the Idaho health services industry with up front training assistance for workers needed in this high growth, high demand occupation. Health services businesses may be eligible for up to \$50,000 in loan training funds annually. Loan funds can help pay for nursing training expenses such as tuition, living allowance, books, uniforms and other required materials and equipment. Loan program funds may not be used to pay salaries of nurses in training.

Businesses of any size that need qualified nurses are eligible. Companies must establish a contractual relationship with the trainees before training begins, provide a minimum starting entry wage of \$12 per hour and medical benefits. Trainees must be Idaho residents. In the loan application, businesses need to demonstrate financial responsibility, operating stability, credit worthiness and present a training plan that includes budget, training institution, time frame and trainee verification.

This is a business driven program that benefits Idaho, Idaho companies and Idaho workers. The Idaho Workforce Development Council oversees the Nursing Training Loan Program and Idaho Commerce & Labor is responsible for approving applications and implementing contracts with approved companies.

ELIGIBILITY REQUIREMENTS

Idaho health services businesses requiring qualified nurses that are:

- Incorporated in Idaho, registered with the Idaho Secretary of State or operated by an Idaho governmental entity, employing Idahoans and proposing to train Idaho residents.
- Paying Idaho Unemployment Insurance Tax or a cost reimbursement employer under the Idaho Employment Security Law.
- Providing a starting entry wage of \$12 per hour plus employer-assisted medical benefits.
- Establishing a contractual relationship with the trainee prior to the start of training. The employer may not recover from the trainee any monetary amount exceeding the actual loan amount plus the actual interest imposed. This does not include penalty and additional interest due to late payments.
- Hiring trainees that are residents of Idaho.



TRAINING REQUIREMENTS

- Training must anticipate full-time employment upon successful completion of training.
- Idaho state technical colleges, universities, other public or private training organizations must provide training unless one is not available in the immediate area.



FUNDING CRITERIA

Health services businesses applying for Nursing Training Loan Program funds must meet eligibility and training criteria and demonstrate:

- Ability to repay loan based on CPA-reviewed financial information.
- Operating stability.
- Reasonable training cost projection.
- Sound credit history.





LOAN GUIDELINES

- Training related expenses – Tuition, living allowance, books, materials and uniforms. Ineligible expenses include trainee salary and major equipment.
- The maximum amount loaned to a company is \$50,000 per year.
- Companies are required to sign a promissory note and must repay the loan with an interest rate of 3.5% per annum in no less than equal monthly installments. Repayment schedule is:

First 6 months – interest and payment free

Training 6 months or less – repayment period up to 18 months

Training 6 months or more – repayment period up to 42 months

- Penalty for Loan repayment delinquency is an increase in the loan interest rate to prime plus four percentage points and \$50 per month penalty until the loan is repaid in full.

APPLICATION PROCESS

- Complete a financial application to establish credit worthiness.
- Complete a training application and identify trainee, SSN, hire date, training institution, dates of training and training plan budget.

For more information or to obtain a Nursing Training Loan Program application, contact Jeanie Irvine at Idaho Commerce & Labor.

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